



UNIVERSITY OF RUHUNA
FACULTY OF MANAGEMENT AND FINANCE

No. of Pages : 02
No. of Questions: 06
Total Marks :70

BACHELOR OF BUSINESS ADMINISTRATION HONOURS DEGREE

3000 LEVEL FIRST SEMESTER END EXAMINATION - AUG/SEP 2023

Three Hours

ENT 31213 - Microfinance

Academic Year 2022/2023

Instructions

- ➔ Answer for Five (05) questions only.



Question 01

- I. There is a lesser representation of low-income individuals in formal financial sector. Briefly explain the reasons why low-income individuals are not properly represented in the formal financial sector.
(06 Marks)
- II. "Microfinance helps the financially marginalized individuals by providing them with the necessary capital to start a business and work towards financial independence." Discuss the importance of microfinance for financially marginalized individuals.
(08 Marks)
- (Total 14 Marks)**

Question 02

- I. Briefly explain the minimalist and integrated approaches used in microfinancing.
(06 Marks)
- II. Discuss the challenges faced by microfinance institutes in delivering financial services.
(08 Marks)
- (Total 14 Marks)**

Question 03

- I. Briefly explain the three major financial inclusion indicators with reference to microfinance.
(06 Marks)
- II. "Government is playing a key role in financial inclusion." Discuss the role of the government in financial inclusion.
(08 Marks)
- (Total 14 Marks)**

Question 04

- I. Briefly explain suitable strategies that can be applied for market growth in Sri Lankan microfinance sector.
(06 Marks)
- II. Discuss the concept of Information Asymmetry in relation to microfinance.
(08 Marks)

(Total 14 Marks)

Question 05

- I. Briefly explain the importance of financial literacy and skills for women.
(06 Marks)
- II. Discuss the economic impact of microfinance at individual, household, enterprise, and community level.
(08 Marks)

(Total 14 Marks)

Question 06

Write short notes on the following.

- I. Downsides of microfinance
- II. Group lending method
- III. Grameen bank model
- IV. The triangle of microfinance

(3.5 Marks for each)
(Total 14 Marks)

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